

June 2017

The Water Label is an Industry wide supported voluntary labelling scheme for water using bathroom products. The Scheme's primary role is to educate the consumer on water use and provide sufficient information enabling an informed choice to be made at point of sale.

This 6th road map together with Annexe documents, acknowledges the progress made, highlights the milestones achieved, and sets out the aspirations for future expansion. The paper outlines necessary actions required by all Stakeholders in the Schemes quest for greater visibility of the label in the market place.

OVERVIEW

The Water Label, a voluntary industry led Scheme, has evolved over 12 years across the European Bathroom Industry. The Scheme is open to all companies selling water using bathroom products into the European market. Now fully adopted by major European Associations representing the bathroom sector, with additional support being received from 10 National trade bodies who ensure the requirements of the valve and ceramic sanitaryware Industries are fully embraced by the Scheme.

The Water Label is the only European Labelling Scheme that embraces 14 differing categories of water using bathroom products which has been developed by the broader Industry as an education tool to inform consumers. The simple to understand and read Label helps consumers, architects and specifiers to meet the water consumption criteria. The Label dovetails with European Best Practice such as Green Public Procurement; as the two 'green' bands of the Label met the Guides specification for water using bathroom products.

SUPPORT

129 major bathroom brands across Europe support the Scheme, from Estonia to Turkey from Portugal to Ukraine. See attached brands. The Scheme has recently expanded into several Central European countries such as Romania, Poland, Estonia and Hungary. This progress sees greater support for the developing Scheme, and a higher presence of the label to a broader base of consumers.

Consumers, architects and specifiers can easily identify water flow and volume from an expanding database, that sees over 9,821 live products currently available in the market. An annual cleansing of the Scheme has seen over 4,000 products removed, which are no longer available to consumers in the market place. In addition to the brands and products the Scheme is supported by a further 52 champions who disseminate information on the Scheme across the differing market sectors, thus ensuring the continual flow of information into the market place on water use.

The Industry has a vision that by building on these solid foundations this voluntary initiative can support the European Commission's goal of reducing waste water, hot water energy and carbon emissions across a wide portfolio of water using bathroom products.

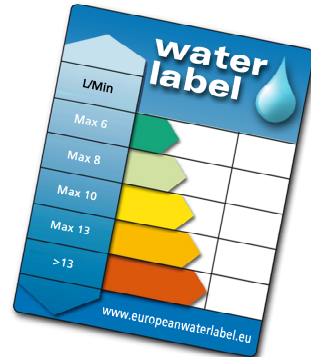
It is recognised that collaboration with water utilities, merchants, distributors, retailers and installers across the European market is pivotal to raising awareness of the Label and equally important the broader 'using water wisely' message.

Positive discussions are taking place with major merchants across EU28 who are now seeking to join the Scheme and liaising with their suppliers encouraging registration of relevant products on to the Scheme.

Product alone will not deliver efficiencies, behaviour change, good quality product with no less performance all go hand in hand. Individually they cannot succeed, collectively they triumph!

THE SCHEME & GROWTH

During the last decade, the European Water Label has emerged as the major labelling scheme across Europe for water using bathroom products. A voluntary Industry led initiative, who actively sought input to the Schemes development from all interested parties, embracing National nuances to ensure it meets the needs of the European consumer. The easy to understand label has evolved from humble beginnings to one that embraces 14 differing product categories supported by 3 major European Umbrella bodies and 10 National trade bodies. 7 independent test houses across Europe provide third party audit support, offering a wide choice to the registered brands whose products are called during the annual 5% audit.



Product registrations cover all water using categories for bathroom products, with products registered and labelled across all 5 label grades. Research has clearly identified that water in the domestic environment is mainly consumed by showers and WC flushing and therefore it is no surprise that the Scheme has high representation of these products.

The Scheme also has over 3,000 basins, bidets and kitchen taps registered, these are envisaged as high water and energy use. However, as some research has shown, consumers do not normally turn taps to full flow unless vessel filling. It is normal behaviour to turn taps to half turn when using for everyday use.

Over 500 million people live within the borders of the European Union and are accommodated in over 226 million homes of which over 48 million are either classified as empty or second homes. As the main experience of the user is the performance of the product, it is important that consumers understand the amount of water and energy they are consuming via an easy to understand Scheme and visible label. It is also important to understand that 500 million EU consumers each have a differing acceptability of product and spend differing levels of time using the product. The Water Label clearly shows products at all the 5 grades across the 14 categories, thereby ensuring the market continues to offer the consumer with a wide choice, but with the knowledge to make an informed choice.

Annexe documents, provide an overview on current product registrations falling within the tap, shower and WC criteria.

LANDMARKS

During its journey to date, the Scheme has gone from a small idea into a flourishing European Water Label Scheme, it is worth noting the key milestones achieved along the journey.

2005	The seed is sown
2006	Discussion commences with manufacturers
2007	Water Efficiency Product Labelling Scheme launched
2009	changed name to Water Label
2009	first 1,000 products registered on the Scheme
2010	Discussion with CEIR and its membership commenced
2012	European Water Label launched
2012	The Water Label Company formed
2012	Major merchants and retailers pledge to support the Scheme
2013	1 st visibility of the Label at ISH Exhibition
2013	Discussion with FECS and its membership commenced
2013	First panel discussion between CEIR, FECS, EWL, FEST and EDRA held
2014	A suite of marketing and education material introduced and available direct from the Scheme website for all to use

2014	European Water Label seeing greater visibility in the market place – see appended examples
2015	FECS receive written commitment from its membership
2015	Registered brands reach a milestone of 90+
2015	CSTB, French test house joins the Scheme
2015	High visibility of the European Water Label at ISH 2015
2015	Media event held during ISH 2015 to raise awareness of the Scheme. This event was well attended by over 70 people.
2015	Regular meetings with EDRA, FEST, CEIR, FECS and the European Water Label to promote the Scheme and encourage greater participation by retailers and merchants
2015	Over 8,000 product registrations supported by 92 major European bathroom brands
2015	European Water Label stand at UK Exhibitions and Conferences
2016	European Water Label website goes live in Spanish, German and Turkish languages
2016	Three National Agents secured in Spain, Italy and Turkey
2016 - March	European Water Label has presence and visibility at Mostra Convegno in Milan
2016 - April	Ferro joins the European Water Label as the first Central European company
2016 - May	EU-Nited and European Water Label sign letter of Mutual Co-operation
2016 - July	Presentation to FEST Members promoting the benefit of the Scheme
2016 - July	Globus Germany, major DIY chain joins the Scheme
2016	European Water Label exhibits at many European exhibitions, UK, France, Poland and Italy
2016 - Sept	The label goes to Estonia and heads for major presence in retailers
2016 - Sept	Discussion continues with WELL/EU-nited and the formation of three working groups looking at Technical Criteria, Marketing and Administration to bring two Schemes into One.
2016 - Dec	Further support from 52 partners and registration brands reach 120
2017 – Present	Discussions continue with the 'Best of Both' initiative, culminating in a major announcement during the ISH Fair in March announcing that major European manufacturers have committed to support one label, Water Label was born.
2017	Major manufacturers commence registering products and brands.
2017	Regular discussions held with European Commission department

Milestones achieved have been significant since the formation of the Scheme. Key targets for its continued development are regularly identified and success monitored. As the market embraces the Scheme further targets are to be set, monitored and recorded.

BEST OF BOTH

Two major Industry labelling schemes exist, each one having strengths and weaknesses. Manufacturers grasped the opportunity to lead an initiative that would bring the two together and form one scheme supported by manufacturers, merchants and retailers.

Three working groups were formed; technical, marketing and organisation, each one given the task to identify the 'best' aspect of each scheme, combine and put forward one strong well supported scheme.

During the last 18 months' discussions, have been held with major manufacturers and National trade bodies.

The conclusion; a new label format was identified that includes associated energy per annum and technical icons, providing the consumer with greater knowledge to make an informed choice at point of sale.

A transition period culminating in a major launch will take place at ISH 2019 and during the next 18 months all marketing, website, label will undergo a major refresh to reflect the changes.



A new platform, European Bathroom Forum has been formed and will host the European Water Label. The Forum structure, governance, together with Articles are currently being developed. An elected Chair and Vice Chair have already been identified and are aiding the ongoing development of the Scheme.



18 major manufacturers, National Trade Associations and 2 European Trade Associations have joined forces and have so far pledged their support for the European Bathroom Forum initiative.

MARKET COVERAGE

During the last 12 months, the European bathroom market has seen many changes; from restructure, acquisition and mergers, slow recovery and decreasing consumer confidence across Europe. This of course changes the dynamics of the players in the market place. However, the Labelling Scheme continues to flourish and has steadily increased the market share it represents. Based on a 2016 market report (BRG) the market share of the current registered brands is 58% of the tap/shower/shower handset market and 60% of the Sanitaryware market and growing.

The Scheme is now working closely with the registered brands to label all products that fall within the Scheme criteria. 2017 has seen a positive step forward with the label now being included in all new product literature, packaging, marketing material, and having visibility on registered brands exhibition booths. See appendix for examples of how registered brands are raising visibility.

European retailers have seen the market opportunities of carrying the label within consumer marketing material and the growing number of manufacturer websites carrying information on the label has considerably increased.

Nearly 6,000 outlets across Europe are stocking product that is registered and in many cases displaying the label. *See attached supporting material.*

The Label is aiding manufacturers to win contracts and plays an important role when calculating the efficiency of buildings. Over 8,500 architects and specifiers are using the Label when designing new buildings within the commercial and domestic markets.

STRUCTURE OF THE EUROPEAN WATER LABEL

The Water Label is currently owned by the Industry via its UK Trade Body which is a not for profit company. The Bathroom Manufacturers Association, the leading UK trade body for the bathroom industry is currently supporting the Scheme with additional resource and funding. The Scheme is moving ever closer to becoming self-financing and seeking independence. This goal should be achieved by the end of 2018.

A generic platform, European Bathroom Forum has been formed and currently in the process of developing Articles of Association and governance structure. The delay by the European Commission is hampering this development as Industry is indecisive and unsure if to support the Industry voluntary initiative or wait to see if the Commission introduce a mandatory label scheme.

An annual income of €250,000 is anticipated as a fair level to effectively operate the Scheme, with relevant staffing and direction. The Scheme will also require a proactive marketing function, that encourages greater participation and visibility across manufacturers, retailers and merchants.

ADMINISTRATION

The administration function of the Scheme is undertaken by the Bathroom Manufacturers Association at its offices based in North Staffordshire England.

The Scheme operating functions are overseen at European level by the European Bathroom Forum (EBF), FECS and CEIR. It is recognised that as the Scheme becomes widely accepted across and given the support by the European Commission, as the voluntary labelling scheme for water using products that a formal structure is implemented, engaging the support of a wider church of Associations.

And once the income has reached the appropriate level then the Water Label Company will relocate the Scheme to the EBF as a not for profit body with an elected board from registered brands and/or supporters.

GOVERNANCE

As the Scheme moves to independence status a Board will be elected with representatives taken from the registered Stakeholders:

- Manufacturers, distributors, merchants
- Water utilities, NGO's
- Retailers
- National Government and/or Commission
- Trade Bodies

As the Scheme is European wide, representatives on the Board must address issues at a European level. The Board should be no more than 12 elected representatives.

Responsibilities of the Board include:

- Overseeing income and expenditure, addressing any arising issues
- Identify lobbying activity and the implementation required
- Set and aid delivery of key targets for the ongoing development of the Scheme

Although the UK has decided to leave the European Union, the UK will remain part of the European geographical area. The Water Label is an Industry wide supported Scheme and will not be effected by the UKs political decision.

NATIONAL PLATFORMS

The Scheme remains, open, transparent and above all credible. All Stakeholders must have the opportunity to input and influence the progress, direction and ongoing development at European and National levels.

And due to the broad geographical location of Stakeholders and the nuances of National requirements, National bodies will be encouraged to set up National Platforms and feed relevant information to the Scheme via the EBF.

AGENT AGREEMENT

To aid in the growth of the Scheme across EU, The Water Label Company is working in partnership with National bodies who represent the differing sectors of the bathroom Industry. These National bodies will be recognised as 'Agents' and as such enter into an agreement to promote and progress the Scheme within their territory and abide by the detail of the 'Agents Agreement'. To date 'Agents' have been formalised with Turkey, Spain and Italy.

SCHEME FUNDING

As previously identified the income generated from the Scheme is forecasted to reach €200,000 for 2017. This is achieved by brand and product registrations.

EXPANSION OF THE SCHEME

An analysis of the current market, Industry players and market share across EU28 has identified key stakeholders within the manufacturing and merchant base. Participation by these is paramount to the ongoing success of the Scheme.

Greater visibility of the label is also key for the consumer. Research indicates that 80% of consumers undertake research via websites, select and purchase via many channels to market. The plumber and/or installer is influential when selecting the most suitable product for the individual consumer needs and compatibility with the building and infrastructure, which is key to ensuring efficiency measures. Recent research indicates that the consumer has identified the need for greater efficiency information for water using bathroom products, water and associated energy levels. Across EU28 there are many differing incentive programmes; government led, energy led or even Water Utility led.

MARKETING THE SCHEME

The Scheme is supported by 52 bodies who have pledged to disseminate information to all sectors of the European Bathroom Industry, these include water utilities, media titles, trade bodies across installer, merchant, retailer sectors and consumer groups. By utilising the National Platforms across EU28 greater awareness of the Label and wider dissemination of the water, energy link and efficiency messaging can be undertaken and achieve greater success.

The Scheme continues to issue regular information, press releases and dialogues with partners.

PARTNERSHIPS

Foundations already laid and continual dialogue with partners is now seeing positive progress with the Scheme. Three major European Associations representing the bathroom industry now fully support the Scheme with full support by 10 National Associations pledging to promote and raise participation from countries; Germany, Spain, Italy, Portugal, France, Turkey and the UK. Expanding these partnerships into other countries will strengthen the Scheme.

Research is already underway to expand market knowledge, identify key partners, merchants and retailers in Central Europe and the Nordic countries.

Discussions are ongoing to expand partnerships with National installer, merchant and consulting engineer groups as well as house builders.

Dialogue has begun with other National labelling schemes to ascertain a way forward in bringing all Schemes into one.

2017 TARGETS

As the Scheme enhances it is proposed that the following goals, to be achieved during 2017 will help to further develop the Scheme for the benefit of Governments, manufacturers and the most important the consumer.

- To simplify the market and ensure the consumer is not confused with a number of existing labelling the schemes. Encourage manufacturers to support only one Label scheme across EU28
- Implement the new Label which includes energy consumption, together with a range of agreed technical icons that will help the consumer to make an informed choice
- Industry will seek wider support for the Scheme from the merchant and retail Industry across all 34 Countries, where the Scheme can be found
- The Scheme will develop in conjunction with all partners a strategic plan to engage wider Industry manufacturers from Central Europe and the Nordic Countries

- The Scheme will seek greater engagement with key personnel at the European Commission and where necessary National Governments
- The Water Label will have a presence supported with manufacturers visibility at key Industry exhibitions across Europe
- A series of platforms to engage with wider Industry to further develop the Scheme will be utilised

CONCLUSION

The Water Label is an Industry backed voluntary initiative, across 14 categories for water using bathroom products. The criteria have been harmonised to accommodate the nuances of EU28, written by technical experts working together with colleagues across Europe. It is the only Scheme that is fully European and one that addresses all water using bathroom products.

The Scheme has the right credentials and support to aid the European Commission in achieving their goals in reducing water and associated energy.

Water using bathroom products are complex, sold across EU28 in varying combinations, the Scheme has ensured all these nuances are taken on board, at the same time meeting the needs of the consumer and allowing choice.

In addition, the Scheme disseminates the wider efficiency message in a cohesive way to influence the consumer immaterial of the channel to market through strong unified suite of marketing material.

Over ten years' investment and commitment by the wider European bathroom Industry is now seeing the Scheme influence decision making in the market place and continues to take the consumer on the water efficiency journey.

This paper has been produced in partnership with:
CEIR, FECs, EBF and National Associations